

Travel & Expense Policy

1) Purpose:

This document ensures that employee travel is consistent with the business objectives of the Total Orthopedics, Inc. and OrthoPros, Inc. (Total Orthopedics, and OrthoPros) It also ensures fair and equitable treatment of employees by defining procedures for authorized business travel and guidelines for expense reimbursement.

2) Overview:

These Policies and Procedures are to help our company with cost effectiveness and the employee's need for quality services and support. Employee travel should be via the lowest cost alternative, consistent with good business practices and follow all ADVAMED regulations. Neither luxury, nor sub-standard modes of transportation and accommodations should be used.

Employee travel and the expenses associated with it will be authorized only in circumstances which are clearly consistent with the mission of the Total Orthopedics and/or OrthoPros. It will be the responsibility of the Office Manager to ensure that all employee travel meets this objective and that reimbursement made only for actual, reasonable business expenses in connection with authorized travel as defined in this document. In order to maintain control over expenditures, any expense submitted which does not comply with the guidelines of this procedure will not be reimbursed, unless there is prior approval. Expense reports must be submitted in a within thirty (30) days, and before the pay period closes on the 10th of every month.

All travel must be requested using the company "**Travel Authorization Form**", approved by the Office Manager. Subsequent to approval; travel arrangements, including airfare, rental car, lodging and planning of meetings can be coordinated through the appropriate departmental support staff. All reservations will be made through the company authorized management:

Total Orthopedics, Inc. & OrthoPros, Inc. Office Manager

3) Implementation & Responsibility:

Managers Responsibility:

1. Office Managers should know current travel policy and inform their staff of company policy and procedures.
2. Determine if travel is really necessary to achieve goal.
3. Approve expenses accordance with policy.

Employee's Responsibility:

4. Notify the Office Manager as early as possible of necessary travel arrangements. By you notifying the Office Manager of your travel need fourteen (14) days or more in advance, your trip will, in most cases cost considerably less.

5. If travel is requested less than 7 days prior to departure, a low-fare airline such as Southwest, Frontier, Air Tran, American TransAir or America West must be used.
6. Work around customer's schedule when requesting travel arrangements. Never should you inconvenience a customer, so that you can travel on your frequent flyer carrier.
7. Incur only expenses that are consistent with the business needs, and exercise care in determining appropriate expenditures
8. Submit expense reports as outlined in the expense section on this policy, on a timely basis (within 30 days, and before the close of the pay period, the 10th of every month). Employee must pay company credit card balances when due.

4) Travel Authorization & Approval:

Upon determination that a trip is necessary, a Travel Authorization Form must be filled out and approved by the Office Manager. This form can then be faxed, e-mailed, or filled out online. The Office Manager will not have authorization to issue airline tickets unless a signed Travel Authorization Form is received.

5) Air Travel:

1. Air travel will be via the most direct and economical means, accommodating the comfort, needs and preferences of the employee. The Office Manager will advise the lowest fare and routing, determined by examination of all carriers possible within a one (1) hour window before and one (1) hour after, the requested departure/arrival time. **Deviations from the lowest fare must have manager approval.**
2. You must notify the Office Manager as early as possible of necessary travel arrangements. If you notify the Office Manager of your travel plans seven (7) days or more in advance, your trip will, in most cases cost considerably less. If travel is requested less than 7 days prior to departure, a low-fare airline such as Southwest, Frontier, Air Tran, American TransAir or America West must be used.
3. Use of "Non-Refundable" airfares is recommended. These fares are usually considerably less expensive than refundable un-restricted fares. In most cases, if the travel must change or the trip canceled all together, the funds can be used as a credit toward future travel, less a service charge imposed by the airline.
4. Employees may retain all benefits from frequent flyer club memberships. All dues for such clubs must be paid by employee.
5. Employee choosing to use personal modes of travel between cities serviced by regularly scheduled airlines, will be reimbursed based on least expensive airfare or actual expenses, whichever is less.
6. Parking will be reimbursed up to \$10.00 per day.

6) Auto Rental:

1. When a rental car is necessary, the cheapest rental company should be utilized. And will only be reimbursed at a maximum of \$50.00 per day.
2. The rental car will not include the collision damage waiver and the personal liability insurance in the price of the daily rental to all company employees.
3. Employees can request either compact or intermediate size cars. Rentals for other types of cars are not permitted except with manager approval. Luxury, premium and specialty car rentals will be reimbursed only at the intermediate car rate.
4. Wherever possible employee must refill gasoline prior to returning rental car for drop off. Gas charges at the rental locations average 50% more than independent filling stations.

7) Lodging:

1. All company authorized accommodations must meet with industry accepted business travel standards with reference to comfort, convenience and cost. Holiday Inn , Hampton Inn, Fairfield Inn, type overnight accommodations have been set as an acceptable standard for all company employees. You are free to make other arrangements, however **Total Orthopedics and OrthoPros will NOT reimburse for more than \$110.00 per night** base rate, unless prior approval is given.
2. Lodging reservations must be placed through the Office Manager. However, it is the employee's responsibility to cancel hotel reservations within the hotel cancellation policy time frame. This can be done by contacting the Office Manager or the hotel directly. You must obtain a cancellation number when canceling a hotel reservation. **The company will not reimburse hotel "no-show" fees**, unless approved by the Office Manager.
3. The employee is responsible for confirming that the rate being charged is also the rate listed on the travel itinerary. Any discrepancies should be reported immediately to the Office Manager.
4. All hotel incidentals will be guaranteed to your personal credit card.

8) Meals and Entertainment:

1. No Meals will be reimbursed unless there is prior approval.
2. Entertainment expenses are reimbursable only with the Office Manager approval, and must meet the following conditions:
 - a. The employee's specific assignment requires the entertainment of the company's customers or potential customers, or others as appropriate.
 - b. The entertainment expense is fully receipted (original receipts required).
 - c. Expenses are to be authorized by the Office Manager.
 - d. The persons entertained, the place and the purpose of the entertainment must be clearly specified.

e. Gratuities should normally be in the range of 10-15% of the cost of the services provided. If the quality of services is exceptional, a gratuity up to a maximum of 18% may be considered.

It should be noted that gratuities must always be calculated before sales tax is applied.

f. Non-reimbursable expenses include, but are not limited to: Alcoholic beverages, airline club dues, rental car club membership fees, airline head seat rental, in-room movies, fines for traffic violations, insurance on life or personal property while traveling, purchase of clothing and/or other personal items, expenses for family, child, pet, home and property care while on a trip.

9) Laundry Service:

Actual and reasonable laundry expenses will be reimbursed. Receipts must be provided. This applies only after the employee has been away from home for five (5) consecutive days, or if the trip has been unexpectedly extended.

10) Expense Reporting:

The following conditions apply when submitting expense reports:

- 1.** Actual and reasonable expenses are reimbursed in accordance with the provisions of this policy and procedure
- 2.** Employee must submit expense reports during the week after incurring the expenses, or upon returning to the office, whichever is sooner. Failure to submit expense reports within thirty (30) days, and before the close of the pay period, will disqualify the employee from receiving reimbursement for expenses incurred while traveling on company business.
- 3.** Include the following items in, or attached to, the expense report when submitting it for payment:
 - a.** Copy of Travel Authorization Form.
 - b.** Original or carbon copies of receipts for meal, lodging, air or auto transportation, tolls, gasoline, and any other business expenses over \$8.00
 - c.** Explanation of any deviation from policy, unauthorized vendors, lodging or transportation, and/or charges submitted "in lieu of" normal expenses.
 - d.** Check made payable to the company, if repayment of travel advance is due.

EMPLOYEE TRAVEL AUTHORIZATION FORM

Traveler Name:

Company:

Date:

Office Manager Name:

**Air Itinerary:
Option 1**

(Note: Be sure to complete arrival and departure sections if you have a preference)

Date	Airline	From (City)	To (City)	Flight #	Depart Time	Arrive Time	Estimated Cost
<input type="text"/>							
<input type="text"/>							
<input type="text"/>							

Seating Preference:

Hotel:

Arrival Date	Departure Date	Hotel Chain	Location (City)	Estimated Cost
<input type="text"/>				
<input type="text"/>				
<input type="text"/>				

Rental Car:

Pick-up Date	Drop Date	Car Company	Location (City)	Estimated Cost
<input type="text"/>				
<input type="text"/>				
<input type="text"/>				

Please note special requests or instructions here:

Fax/E-mail Completed Itinerary? Yes No

Fax Number:

Return E-mail Address:

NON-EMPLOYEE TRAVEL AUTHORIZATION FORM

Traveler Full Name (On I.D.):

Date of Birth:

Date:

Office Manager Name:

**Air Itinerary:
Option 1**

(Note: Be sure to complete arrival and departure sections if you have a preference)

Date	Airline	From (City)	To (City)	Flight #	Depart Time	Arrive Time	Estimated Cost
<input type="text"/>							
<input type="text"/>							
<input type="text"/>							
<input type="text"/>							
<input type="text"/>							

Seating Preference:

Hotel:

Arrival Date	Departure Date	Hotel Chain	Location (City)	Estimated Cost
<input type="text"/>				
<input type="text"/>				
<input type="text"/>				

Rental Car:

Pick-up Date	Drop Date	Car Company	Location (City)	Estimated Cost
<input type="text"/>				
<input type="text"/>				
<input type="text"/>				

Please note special requests or instructions here:

Fax/E-mail Completed Itinerary? Yes No

Fax Number:

Return E-mail Address:

